

Benefits Administration Update

Presentation for 2015 Local Education Spring Fiscal Workshop

Agenda

- 2016 Premiums
- Procurement schedule
 - Medical
 - Dental
 - Health Savings Account
- New plan design
 - Consumer Driven Health Plan
- Legislative update
- Edison password reset



Premium Setting

Factors considered in setting premiums

- Prior years' performance
- Projected medical trend (cost and utilization)
- Program goals (e.g., incentives, value-based benefit design, wellness)
- Available state funding
- Plan reserves and IBNR (incurred but not reported) claims

Process

- Evaluate detailed month-to-month revenues and expenses
- Project current & future years' expenses using historical information, market trend data & future regulatory requirements
- Evaluate benefit design against market benchmarks and program goals
- Project cost of proposed benefit design with changes (if any)
- Balance benefit design changes with existing fund balances, available funding, funding required to support benefit, and target ending reserve levels



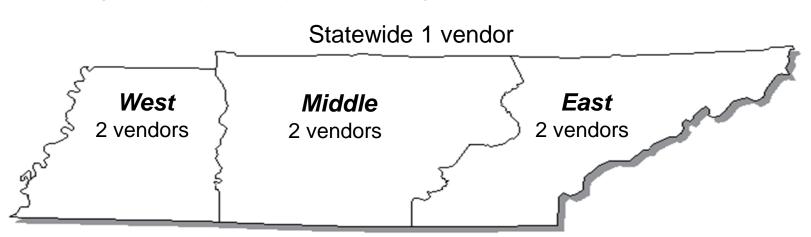
Estimated 2016 Premium Increase

- FY 2016 insurance component of BEP funding budgeted at 0%
- Recommended premium changes:
 - Medical 0%
 - ➤ Vision 0%
 - Dental ? Currently in procurement
- Final premium increases to be approved by Local Education Committee in June



Medical Procurement

- Medical Third Party Administrators
 - 5-year procurement cycle
 - 3 regions / 2 contracts per region
 - New: Statewide network (at the option of the Insurance Committee)
 - 3 carrier/network choices per region
 - Contracts to be awarded in June



Dental Procurement

- 5-year procurement cycle
- 2 Products
 - Dental <u>Preferred Provider Organization</u> (DPPO) currently Delta
 - Pre-Paid Dental product currently Assurant
- Benefit enhancements in both products
- New: \$25/\$75 deductible in DPPO
- Vendors and rates to be approved in June



New CDHP/HSA Option

- Local Education Agencies are satisfied with the current plan options; however, 25% want to add a CDHP plan
- Agencies want a lower cost option to help with affordability under PPACA
- LEAs want CDHP as an additional option (not replace current plan offerings)



Objectives of CDHP Option – Employer Perspective

- Expand choice of offerings for agencies
- Provide an affordable plan as defined by PPACA
- Promote accountability (increased consumerism), particularly around cost and quality
- Offer cutting-edge benefits to recruit and retain talent
- Avoid/reduce impact of excise tax ("Cadillac" tax)



Objectives of CDHP Option – Member Perspective

- Expand choice of offerings for members
- Provide an affordable plan as defined by PPACA
- Promote accountability (increased consumerism), particularly around cost and quality
- Ability to choose a low-cost plan without increasing employee premium contributions
- Provide savings vehicle for health care expenses, including retiree health care



Health Savings Account (HSA) Trustee Procurement

A HSA is a tax-exempt medical savings account available to members enrolled in a consumer driven health plan that meets certain IRS guidelines. It is used to pay for out-of-pocket qualified medical costs.

- A HSA trustee can be a:
 - Bank,
 - Insurance company, or
 - Any entity approved by the IRS to be a trustee.
- Contract award in June



Health Savings Account (HSA) Features

Contributions - Employer & employee can contribute (not for Medicare eligibles)

Portability - It is the individual's money & is portable - may be rolled in another HSA

Health Plan - Must be enrolled in a qualifying plan (CDHP) in order to establish a HSA

Other Coverage - Cannot have other health coverage if benefits are covered by the CDHP



Health Savings Account (HSA) Features

FSA – Can have a limited purpose FSA only (vision, dental)

Substantiation - Member responsibility to substantiate payments; Auditable by IRS

Catch-up Contributions - Members 55+ can make catch-up contributions

Accounts - HSAs are individual accounts - Spouses may not combine their HSAs into a joint account



Health Savings Account (HSA) Advantages

Contributions to the HSA are pre-tax or 100% tax deductible

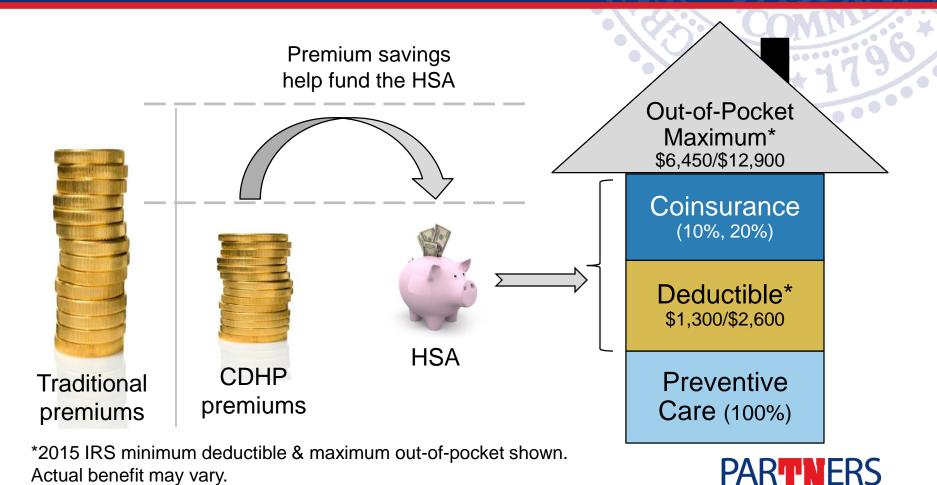
Withdrawals to pay for qualified medical expenses are tax-free

Interest earnings accumulate tax-deferred

Unused money in your HSA isn't forfeited. It is yours to keep & continues to grow tax-deferred



CDHP with HSA



FOR HEALTH

Employer Considerations

- CDHP must be offered alongside all other plans
- How much (if any) will you contribute to employee HSAs?
- Use of state's HSA vendor
 - Payroll/data feeds with vendor
 - Must be established by January 1, 2016
- State HSA vendor benefits:
 - Monthly member account fee paid by plan
 - Decision guide to include educational information
 - All administration handled by BA



Legislative Update – SB0607/HB0648

- Provides Insurance Committee with tools that all large employers have to manage cost
- Addresses unfunded retiree health obligation
 - State subsidizes pre-65 retiree as a % of premium based on years of service; 45/35/25% for eligible retired teachers in statesponsored plan
 - Medicare Supplement subsidy a defined contribution (fixed dollar amount) based on years of service
- This liability is due to retiree health subsidy, eligibility for retiree health benefit and how we pool our health risk
- Liability is required to be reported on the balance sheet in 2018 and will continue to grow if we do nothing

Legislative Update – SB0607/HB0648

- New hire retiree health benefit (those hired after 7/1/15)
 - Eliminates eligibility for retiree health continuation in the plan and state subsidy
 - Eliminates eligibility for Medicare Supplement and state subsidy
 - Grandfathers current retirees, employees and elected officials first hired or elected prior to 7/1/15
- Current retiree health benefit current retirees and those hired or elected prior to 7/1/15
 - Permits defined benefit or defined contribution







State of TN Identity & Access Manager

April 2015



Overview

- Edison implemented software known as Identity and Access Manager to provide more advanced, complex levels of security protection
- Comparable to security software commonly used within banks and many large corporations
- Provides multiple levels of additional security control (multi-level and multi-factor authentication capability)
- Significantly impacts user login process and password access
- Roll out was January 20, 2015
- Members wanting to make a benefit change during Annual Enrollment will need to reset their password through Identity and Access Manager



Business Drivers

- Critical for protecting data housed within the Edison system in light of current exponential growth of national and international identity theft
- 15 million victims a year nationally
- > \$50 billion in damages
- 33% increase between 2005-2010
- Biggest targets are employees and not companies
- Web-based systems particularly vulnerable
- Edison-specific: Several known instances of key logger use to gain access to Edison through ESS and divert paychecks/travel reimbursements to other accounts



Features and Benefits

Features

Challenge Questions
One-Time Password
User Self-Service Password
Resets

Benefits

- Reduce Help Desk Calls
- Real Time Analytics Recognizes user profile
 characteristics (when, where,
 time access)
- Federation (Future) Link access to other systems, i.e., University of TN and other state colleges and universities (less passwords to remember)



Potential to Identify

User Profile



Who is logging in?

Device Identifier



What device is being used?

IP Address



 Where is the user logging in from?

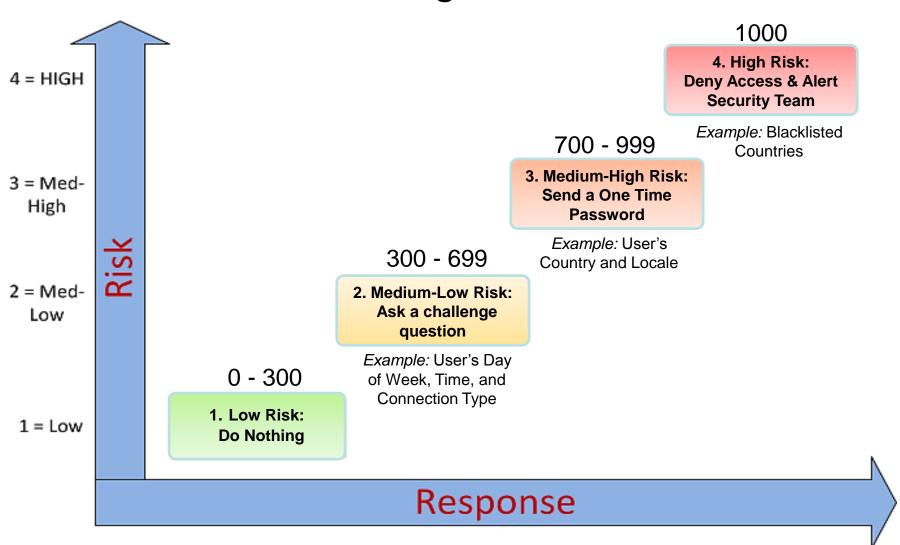
 Application & Contextual Data



 What internet browser is being used?- (Internet Explorer, Chrome, Safari, Firefox)



Access Manager: Risk Levels

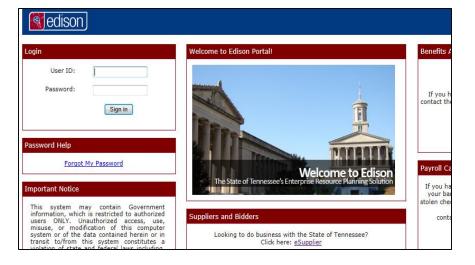


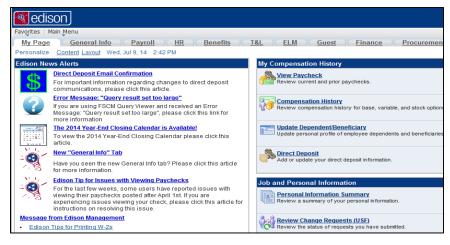


Prior Login Process

- Login Page
 - Enter User ID and Password
 - Sign In

Portal Opens







Identity and Access Management Initial Login Process



edison

Favorites Main Menu

Welcome to Edison

Personalize

Mon. Sep 22, 14

1:45 PM

Edison News Alerts



Edison Upgrade Alert- Compatibility Standards

Will Edison work with any Internet browser? Click here for information about compatibility issues and standards.

Message from Edison Management

Edison Tips for Printing W-2s

More..

View All Articles and Sections

Edison Maintenance Alerts



Routine Edison system maintenance, Testing/Upgrade Environment (TST) System Maintenance 03/10/14

Routine Edison system maintenance, Testing/Upgrade Environment (TST) System Maintenance 03/10/14-03/11/14. Please click the link for more information.

View All Articles and Sections

Important Notice

This system may contain Government information, which is restricted to authorized users ONLY. Unauthorized access, use, misuse, or modification of this computer system or of the data contained herein or in transit to/from this system constitutes a violation of state and federal laws including, but not limited to Title 18, United States Code, Section 1030, and may subject the individual to Criminal and Civil penalties pursuant to Title 26, United States Code, Sections 7213(a), 7213A (the Taxpayer Browsing Protection Act), and 7431.

This system and equipment are subject to monitoring to ensure proper performance of applicable security features or procedures. Such monitoring may result in the acquisition, recording and analysis of all data being communicated, transmitted, processed or stored in this system by a user. If monitoring reveals possible evidence of criminal activity, such evidence may be provided to Law Enforcement Personnel.

ANYONE USING THIS SYSTEM EXPRESSLY CONSENTS TO SUCH MONITORING and SHOULD HAVE NO EXPECTATION OF PRIVACY for any information stored or communicated via this system.

Welcome to Edison Portal!



Sign-On

Please sign-in here

Suppliers and Bidders

Do you have an existing eSupplier username? Edison Supplier Portal

> Vendor Account Maintenance 615-741-9745

Looking to do business with the State of TN?

Bidder Registration/Central Procurement Office

Please click Central Procurement Office to be routed to their website 615-741-6875

Benefits Administration



If you have questions about your benefits contact the Benefits Administration Service Center at:

1-800-253-9981 or 615-741-3590 or visit: partnersforhealthtn.gov

partnerstornealthth.go

Payroll Call Center

If you have questions about your paycheck, your bank accounts, direct deposit, lost or stolen checks, taxes & deductions, or your W-2 form contact the **Payroll Call Center** at:

1-877-944-3873 or 615-741-PAID(7243)

OIR Service Desk

If you have questions about Outlook, Active Directory, 3270 passwords, OIR network issues, OIR server issues, telephone issues, or hardware issues (copiers, fax machines, scanners) contact the OIR Service Desk at

1-800-342-3276 or 615-741-1001

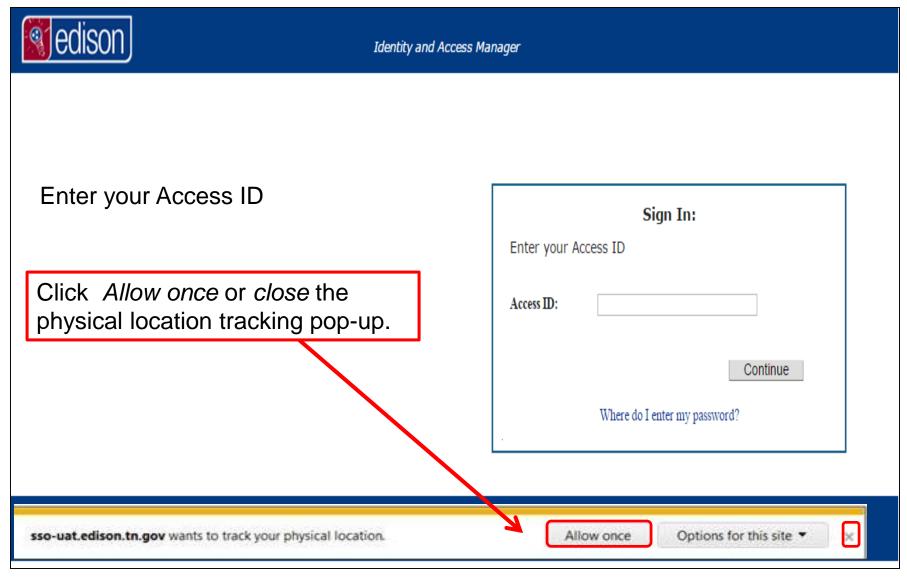
Edison Help Desk

Edison Help Desk Hours:

7:00 a.m. to 4:30 p.m. CST Monday through Friday (except holidays)

> 1-866-376-0104 or 615-741-HELP(4357)









Identity and Access Manager

Enter your Temporary Password

Click Enter



Identity and Access Manager



Change your password based on the conditions listed.

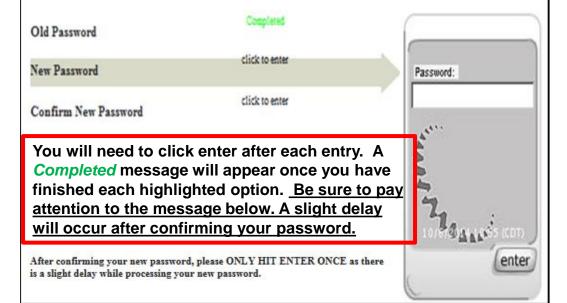
Note:

- When Old Password is highlighted, click in the Password field, enter your temporary password.
- When New Password is highlighted, click in the Password field, enter your new password.
- When Confirm New Password is highlighted, click in the Password field, re-enter your new password.

Reset Your Password

A valid password must meet all of the following conditions:

- Password must not contain the following character(s): & ,<>"%@~""
- · Password must not match or contain first name.
- · Password must not match or contain last name.
- · Password must contain at least 2 alphabetic character(s).
- Password must be at least 8 character(s) long.
- · Password must contain at least 1 lowercase letter(s).
- · Password must contain at least 1 numeric character(s).
- · Password must contain at least 1 special character(s).
- · Password must contain at least 1 uppercase letter(s).
- · Password must not be one of 12 previous passwords.
- Password must not match or contain user ID.





Your New Security Profile

Setting up your new security profile enhances your online protection.

It adds new layers of security to your account by helping us identify you and will help you identify our site.

Security Image and Phrase

Enhanced data security

Your new personalized security image and phrase will help safeguard your identity and personal information. The image, phrase and date are proof that you are on our official site.

Security Questions and Answers

Additional layer of security

You will be required to answer five security questions. We will use your security questions and answers to confirm your identity at times when extra verification is needed. These questions and answers should be kept secret just like your password.

Contact Information

Email Address for One Time Password

We will use your email address to confirm your identity with a one-time password when additional verification is needed.



To register your security profile now >>

Continue

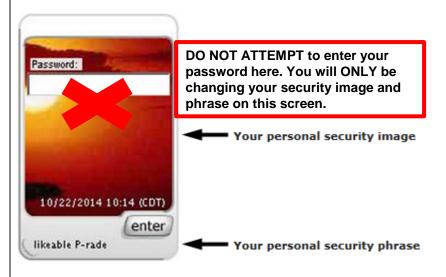


Selecting your Security Image and Phrase

The security image and phrase feature is used to ensure that you are entering your password on our official site. The image below is your currently selected security image and phrase where you will enter your password when logging into Edison in the future. To select a different image, which includes an auto-generated phrase, please click Change your image and phrase until you find an image and phrase you like. Once selected, please click Continue to proceed.

Note:

Please remember to never enter your password when logging into Edison unless you see your personalized image and phrase with a current freshness date.



Learn more about your personalized security image and phrase

Change your image and phrase

Click the link to change your image and phrase.

Note:

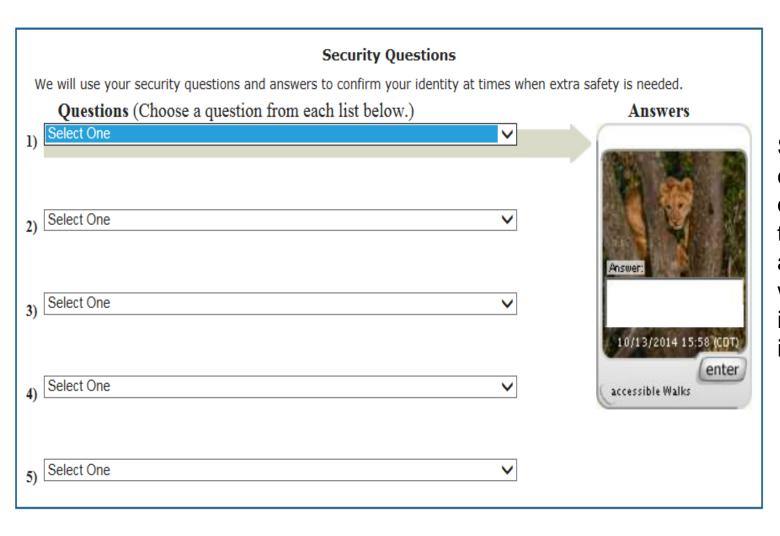
- 1. You cannot go back to an image once you have passed it. There are over 1200 images available.
- 2. Each phrase is directly tied to the image and cannot be selected separately from the image.

Once you have selected your image and phrase combination, click Continue.

Continue







Select your challenge questions and type your answers in the white box imbedded in the image.



One Time Password Registration	
Please enter your email address. In the event that you forget your password in the future, you will have a entered may be a state or personal address.	one-time password (OTP) sent to this email address. The email address
Email Address I agree to the State of Tennessees terms & conditions. Click to view full Terms & Conditions and Privacy Policy.*	The purpose of this email address is ONLY for high risk security validation for future login into the system
If you decline, you will not be able to receive a one time password (OTP) to your email.>> Decline Continue	

Input an email address for the one time password registration and check the Terms & Conditions box. If you decline to enter, you will be prompted every time you log in until an email address is provided.

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Acceptable Use Policy



STATE OF TENNESSEE

Acceptable Use Policy

Network Access Rights and Obligations

Purpose:

To establish guidelines for State-owned hardware and software, computer network access and usage, Internet and email usage, telephony, and security and privacy for users of the State of Tennessee Wide Area Network.

Reference

Tennessee Code Annotated, Section 4-3-5501, et seq., effective May 10, 1994.

Tennessee Code Annotated, Section 10-7-512, effective July 1, 2000.

Tennessee Code Annotated, Section 10-7-504, effective July 1, 2001.

State of Tennessee Security Policies.

Objectives:

- . Ensure the protection of proprietary, personal, privileged, or otherwise sensitive data and resources that may be processed in any manner by the State, or any agent for the State.
- · Provide uninterrupted network resources to users.
- · Ensure proper usage of networked information, programs and facilities offered by the State of Tennessee networks.
- · Maintain security of and access to networked data and resources on an authorized basis.
- · Secure email from unauthorized access.
- · Protect the confidentiality and integrity of files and programs from unauthorized users.
- . Inform users there is no expectation of privacy in their use of State-owned hardware, software, or computer network access and usage.
- Provide Internet and email access to the users of the State of Tennessee networks.

Scope:

This Acceptable Use Policy applies to all individuals who have been provided access rights to the State of Tennessee networks, State provided email, and/or Internet via agency issued network or system User ID's. The scope does not include State phone systems, fax machines, copiers, State issued cell phones or pagers unless those services are delivered over the State's IP network.

Use and Prohibitions:

A. Network Resources

Read the *Acceptable Use Policy*.

You will have to scroll to the bottom of the page to review the entire document.



Network Access Kights and Obligations

User Agreement Acknowledgement

As a user of State of Tennessee data and resources, I agree to abide by the Acceptable Use Network Access Rights and Obligations Policy and the following promises and guidelines as they relate to the policy established:

- 1. I will protect State confidential data, facilities and systems against unauthorized disclosure and/or use.
- 2. I will maintain all computer access codes in the strictest of confidence; immediately change them if I suspect their secrecy has been compromised, and will report activity that is contrary to the provisions of this agreement to my supervisor or a State-authorized Security Administrator.
 - 3. I will be accountable for al
 - 1. Check the *Terms and Conditions*
 - box to accept the policy.

Privacy Expectations

2. Select the *l agree* button

The State of Tennessee actively monitors network services and resources, including, but not limited to, real time monitoring. Users should have no expectation of privacy. These communications are considered to be State property and may be examined by management for any reason including, but not limited to, security and/or employee conduct.

I acknowledge that I must adhere to this policy as a condition for receiving access to State of Tenressee data and resources.

I understand the willful violation or disregard of any of these guidelines, statute or policies may result in my loss of access and disciplinary action, up to and including termination of my employment, termination of my business relationship with the State of Tennessee, and any other appropriate legal action, including possible prosecution under the provisions of the Computer Crimes Act as cited at TCA 39-14-601 et seq., and other applicable law.

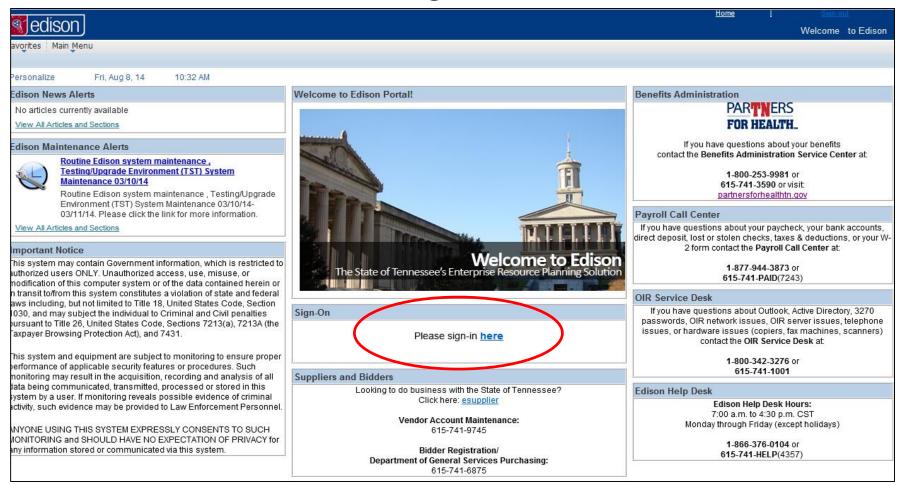
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I accept to the Terms and Conditions

lagree

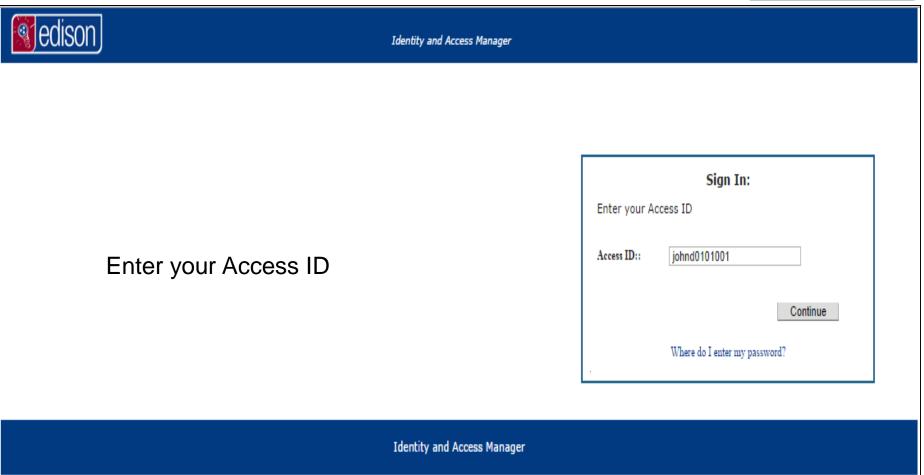


New Login Process



Click the Please Sign-In HERE









Identity and Access Manager

Enter your password.

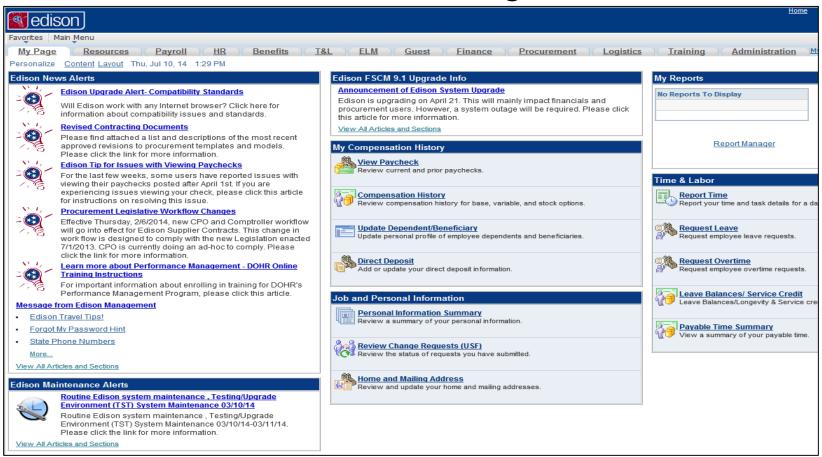
Only enter your password if you recognize the personalized image and phrase.



Identity and Access Manager



Successful Login



Enterprise Portal

User has authenticated and been authorized in Edison.



Required Member Actions

MEMBERS MUST COMPLETE THE FOLLOWING STEPS TO ACCESS EDISON FOR BENEFIT SELECTIONS

- 1. Change temporary password
- 2. Select Security Image & Phrase
- 3. Select & answer Security Challenge questions
- 4. Enter e-mail address for One-Time Password
- 5. Accept Terms & Conditions



Importance of My System Profile Email Address

- All system generated notifications will go to this email address, including confirmation statements for benefit changes
- Detailed instructions on how to update the email address will be provided with the Annual Enrollment training being developed for members



Lessons Learned

- Browser Compatibility
- Internet Settings
- Compatibility View
- Firewall Issues



Next Steps

- We're working with your IT and ABC to determine current browser, security settings and whether any firewall issues exist
- We've asked them to log into Edison using the instructions and identify any issues experienced and send to <u>Benefits.info@tn.gov</u> with your agency identified and the subject of "IT Question."
- We've conducted three webinars and have scheduled two more to discuss issue resolution:
 - Wednesday, May 6th 2-3 PM CT
 - Thursday, May 7th 9-10 AM CT



Affordable Care Act

- Benefits Administration will provide a report that agencies can use for 1095 and 1094 reporting by December 15th or earlier if possible.
- All benefit eligible employees need to be in Edison and terminations entered timely in order for the reporting to be correct.

Questions?

